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September 1, 2000

EDERAL COMMUNICATIONS COMMISSION AFFICE OF THE SECRETARY

Magalie Roman Salas Secretary Federal Communications Commission 445 Twelfth Street, S.W. - Suite TW-A325 Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Re: Joint Application of NorthPoint Communications, Inc. and Verizon Communications for Authority Pursuant to Section 214 of the Communications Act, as Amended, To Transfer Control of Blanket Authorization To Provide Domestic Interstate Telecommunications Services as a Non-Dominant Carrier, CC Docket No. 00-9157,

Dear Ms. Salas:

On August 24, 2000, Verizon Communications ("Verizon") and NorthPoint Communications, Inc. ("NorthPoint"), (the "Applicants"), filed their joint application requesting Commission approval of the transfer of control of FCC authorizations from NorthPoint to a "new" NorthPoint which will own the combined digital subscriber line businesses of the Applicants. Verizon will hold 55 percent of the voting securities of the new entity. In our pre-filing conversations with Commission staff, we discussed the Commission staff's requests to review all documents the Applicants have provided (or will subsequently provide) to the Department of Justice ("Department") in connection with the Department's investigation of the proposed merger pursuant to the Antitrust Civil Process Act and the Hart-Scott-Rodino Antitrust Improvements Act, and to engage in discussions with representatives of the Department with respect to those documents (collectively the "Protected Materials") and the status of the Department's investigation. We have agreed to the Commission staff's requests, on the understanding that, except as noted below, the Commission will treat the protected materials as confidential documents pursuant to Section 0.459 of the Commission's rules, 47 C.F.R. § 0.459 and that the discussions with the Department will be treated as exempt ex parte presentations under Section 1.1204(a)(6) of the Commission's rules, 47 C.F.R. 1.204(a)(6).

With respect to the Protected Materials, we have agreed that certain counsel to parties that participate in this proceeding will be allowed to review such Protected

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Materials as may be filed at the Commission under the terms of the protective order adopted by the Commission on August 30, 2000.<sup>1</sup>

With respect to discussions between representatives of the Commission and the Department, the Applicants each have sent a letter to the Department waiving the confidentiality provisions of the Hart-Scott-Rodino Act, the Antitrust Civil Process Act, and any applicable confidentiality provisions governing the Protected Materials in order to permit full discussions between representatives of the Department and the Commission with respect to the Protected Materials and the status of the Department's investigation of the merger between the Applicants. A copy of each letter is enclosed. This waiver also permits the Department to share with the Commission the Protected Materials in the Department's possession. As noted above, this waiver is based on the Applicants' understanding that the discussions will be treated as exempt *ex parte* presentations under Section 1.1204(a)(6) and will not be disclosed, except as required under that section.

Finally, we would like to confirm that the agreements and waivers set forth above are further based on the Applicants' understanding that if, in connection with its decision in this proceeding the Commission intends to rely upon or otherwise make reference to the contents of any of the Protected Materials or the substance of its discussions with the Department, it will do so in the same manner in which it maintained the confidentiality of similarly protected information in the *Bell Atlantic/NYNEX Order*, 12 FCC Rcd. 19985 (1997). In the case of that Order, the Commission embodied its discussion of confidential information in a separate Exhibit E that was placed under seal and not released publicly as part of the Order.

Please do not hesitate to contact the undersigned persons if you have any questions regarding any of the foregoing or the enclosed documents. Thank you.

Sincerely yours,

William J. Bailey, III

NorthPoint Communications, Inc.

1909 K Street, NW, Suite 820

Washington DC 20006

Michael E. Glover

Verizon Communications

1320 North Court House Road

8<sup>th</sup> Floor

Arlington VA 22201

<sup>&</sup>lt;sup>1</sup> Joint Application of NorthPoint Communications, Inc. and Verizon Communications for Authority Pursuant to Section 214 of the Communications Act, as Amended, To Transfer Control of Blanket Authorization To Provide Domestic Interstate Telecommunications Services as a Non-Dominant Carrier, CC Docket No. 00-0157, Order Adopting Protective Order, DA 00-1969 (rel. Aug. 31, 2000).

# Enclosures

cc:

Michelle Carey Jake Jennings Donald Russell, Department of Justice

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FILE No. (FILE No.)

Donald Russell
Chief, Telecommunications Task Force
United States Department of Justice
Antitrust Division
1401 H Street
Room 8004
Washington, DC 20550

Re: Verizon/NorthPoint Merger

Dear Mr. Russell:

On August 24, 2000, Verizon Communications ("Verizon") and NorthPoint Communications, Inc. ("NorthPoint"), (the "Applicants"), filed their joint application requesting approval by the Federal Communications Commission (the "Commission") of the transfer of control of FCC authorizations from NorthPoint to a "new" NorthPoint which will own the combined digital subscriber line businesses of the Applicants. Verizon will hold 55 percent of the voting securities of the new entity. In our pre-filing conversations with Commission staff, we discussed the Commission staff's requests to review all documents provided by the Applicants to the Department of Justice ("Department") in connection with the Department's investigation of the proposed merger pursuant to the Antitrust Civil Process Act and the Hart-Scott-Rodino Antitrust Improvements Act, and to engage in discussions with representatives of the Department with respect to those documents (collectively the "Protected Materials") and the status of the Department's investigation. We have agreed to the Commission staff's requests, subject to certain understandings that are set forth in the enclosed letter to the Commission's Secretary.

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With respect to discussions between representatives of the Commission and the Department, the Applicants waive the confidentiality provisions of the Hart-Scott-Rodino Act, the Antitrust Civil Process Act, and any applicable confidentiality provisions governing the Protected Materials in order to permit full discussions between representatives of the Department and the Commission with respect to the Protected Materials and the status of the Department's investigation of the merger between the Applicants. This waiver also permits the Department to share with the Commission the Protected Materials in the Department's possession. As noted in the enclosed letter to the Commission, this waiver is based on the Applicants' understanding that the discussions will be treated as exempt *ex parte* presentations under Section 1.1204(a)(6), 47 C.F.R. § 1.1204(a)(6) and will not be disclosed, except as required under that section. With respect to the Protected Materials, we have also agreed that certain counsel to parties that participate in this proceeding will be allowed to review such Protected Materials as may be filed at the Commission under the terms of the protective order adopted by the Commission on August 30, 2000.

Please do not hesitate to contact the undersigned persons if you have any questions regarding any of the foregoing. Thank you.

Sincerely yours,

E. Mardellus Williamson

Gary M. Epstein

Counsel for NorthPoint

Enclosure

cc:

Michelle Carey Jake Jennings

Joint Application of NorthPoint Communications, Inc. and Verizon Communications for Authority Pursuant to Section 214 of the Communications Act, as Amended, To Transfer Control of Blanket Authorization To Provide Domestic Interstate Telecommunications Services as a Non-Dominant Carrier, CC Docket No. 00-0157, Order Adopting Protective Order, DA 00-1969 (rel. Aug. 31, 2000).

John Thorne
Senior Vice President and Deputy General Counsel



Verizon Communications 1320 North Court House Road, Floor 8 Arlington, VA 22201

Phone 703.974.1600 Fax 703.974.0775 Mobile 202.365.7992 john.thorne@verizon.com

August 31, 2000

Donald Russell
Chief, Telecommunications Task Force
United States Department of Justice
Antitrust Division
1401 H Street, N.W.
Eighth Floor
Washington, DC 20550

Re: NorthPoint/Verizon Merger

Dear Mr. Russell:

On August 24, 2000, Verizon Communications and NorthPoint Communications, Inc. filed their joint application requesting approval by the Federal Communications Commission of the transfer of control of FCC authorizations from NorthPoint to a "new" NorthPoint which will own the combined digital subscriber line businesses of the Applicants. Verizon will hold 55 percent of the voting securities of the new entity. In our pre-filing conversations with Commission staff, we discussed the Commission staff's requests to review all documents provided by the Applicants to the Department of Justice in connection with the Department's investigation of the proposed merger pursuant to the Antitrust Civil Process Act and the Hart-Scott-Rodino Antitrust Improvements Act, and to engage in discussions with representatives of the Department with respect to those documents (collectively the "Protected Materials") and the status of the Department's investigation. We have agreed to the Commission staff's requests, subject to certain understandings that are set forth in the enclosed letter to the Commission's Secretary.

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Mr. Donald Russell August 31, 2000 Page 2

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Please call with any questions.

Best regards,

John Thorne

Enclosure

cc: Michelle Carey Jake Jennings

<sup>&</sup>lt;sup>1</sup> Joint Application of NorthPoint Communications, Inc. and Verizon Communications for Authority Pursuant to Section 214 of the Communications Act, as Amended, To Transfer Control of Blanket Authorization To Provide Domestic Interstate Telecommunications Services as a Non-Dominant Carrier, CC Docket No. 00-0157, Order Adopting Protective Order, DA 00-1969 (rel. Aug. 31, 2000).